



CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D. C. 20505

PUBLIC AFFAIRS

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18 May 1989

Mr. Robert F. Randall
Managing Editor
MANAGEMENT ACCOUNTING
National Association of Accountants
10 Paragon Drive
Montvale, New Jersey 07645-1760

Dear Mr. Randall:

I have enclosed a copy of Judge Webster's column on ethics for publication in MANAGEMENT ACCOUNTING. The column, biographical information on Judge Webster, and a black and white photograph have been forwarded to Howard Siers.

I would appreciate receiving three copies of the issue containing the Judge's column when it is published.

Sincerely,



Acting Director,
Public Affairs

Enclosures:
As stated

cc: Howard L. Siers

STAT

ETHICS

HOWARD L. SIERS, EDITOR

TRUTHFULNESS BUILDS TRUST

BY WILLIAM H. WEBSTER

In the past decade and a half, the American people have had to absorb some real confidence blows: Watergate, Abscam, Iran-Contra, Wedtech, the Wall Street capers. These events, and others, produce a sense of betrayal—the word Robert Frost said was the saddest word in the English language.

I have spent half of the last 40 years in public service and the other half in the private sector. During that time, I have noted some common principles. The most important one is that truthfulness builds trust—both in government and in business. This principle has been apparent to me in the legal profession, at the Federal Bureau of Investigation, and at the Central Intelligence Agency. Building trust through truthfulness is the same obligation that management accountants have both to themselves and to the organizations they serve.

As a lawyer and a federal judge, I have seen attorneys lose their case and their credibility by dissembling in court. An attorney who loses the trust of the court damages himself, his client, and his profession. Lawyers, like management accountants, are bound by rules of ethical conduct, and adherence to these rules is vital in fulfilling professional responsibilities and retaining public respect and confidence.

Every organization needs a clear sense of mission and purpose, as well as clear guidelines on how to best carry out that mission. At the CIA, much of what we do must be

done in secret, so the integrity of our organization can only be maintained by insisting upon compliance with laws and rules to ensure our citizens that we are indeed accountable. There are special safeguards and rules at the CIA to ensure truthfulness, candor, and the highest standards of ethical conduct. These rules apply to all our activities, from operations to the preparation of national intelligence estimates to our system of financial accounting.

When considering proposed covert activities, a review group at the CIA asks questions like: "Is the activity consistent with U.S. foreign policy?" "Is it consistent with American values?" "If exposed, would it make sense to the American people?" "Will it work?" Not all covert activities will succeed, but when they are subjected to this kind of scrutiny, we have the best chance of using our covert capability wisely and effectively.

The CIA's relationship with Congress is crucial, and I have made it absolutely clear that in dealing with Congress there is no excuse for deception. CIA officers who feel uncertain about answering a particular question when briefing Congress have been instructed to refer the question back to CIA headquarters. I am prepared to take the heat or to work out arrangements with Congress. But we will not give half-answers or around-the-corner answers and leave Congress with the feeling that we have been disingenuous with them.

The intelligence information that the CIA provides to policymakers must be useful and timely, but it must also be objective. The Director of Central Intelligence and the people who analyze the information must not be seen as "cooking the books" or attempting to influence foreign policy decisions. Because the quality and objectivity of the intelligence we provide is so important, I have taken a number of steps to ensure that we will "tell it like it is," avoiding bias as much as we can. Policymakers can ignore, tear up, or throw away our intelligence estimates, but they cannot change them.

Financial activities at the CIA are carefully reviewed because the

nature of our work requires some officers to carry and disburse very significant sums of money. Our Inspector General's Office conducts more than 80 financial audits a year to ensure compliance with financial rules and regulations. We are very proud of the fact that in this Agency's 40-year history there has never been a procurement scandal or a significant misappropriation of funds.

Courses offered by the CIA to employees provide an opportunity to explore and address ethical questions. These courses seek to make each employee aware that even the appearance of unethical behavior undermines the public trust which is the cornerstone of



William H. Webster

the CIA's authority and mission.

At the CIA we have to take risks, but the risks have to be associated with ethical principles—principles with which the general public is comfortable. The risks must not put us at odds of the Constitution, our laws, or our own internal regulations.

Perhaps the best way of elaborating on the ethical standards at CIA is by describing the kind of people we look for to fill our ranks—people who are dedicated and responsive to law and discipline. People who understand and play by the rules. ■

William H. Webster was sworn in as director of Central Intelligence on May 28, 1987. He served as FBI director from 1978 to 1987.

FYI / Bob Randall

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